

Second Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 08-1075.01 Christy Chase

SENATE BILL 08-217

SENATE SPONSORSHIP

Hagedorn, and Johnson

HOUSE SPONSORSHIP

McGihon and Massey, and Roberts

Senate Committees

Health and Human Services
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE FRAMEWORK FOR DEVELOPING THE CENTENNIAL**
102 **CARE CHOICES PROGRAM TO REFORM THE HEALTH CARE**
103 **SYSTEM IN COLORADO, AND MAKING AN APPROPRIATION**
104 **THEREFOR.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Authorizes the creation of the centennial care choices program (program) to reduce the state's uninsured population and improve access to affordable health care, after the following occurs:

! By January 2, 2009, the state department of health care

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
April 21, 2008

policy and financing (state department), in coordination with the division of insurance (division) in the department of regulatory agencies and a panel of expert advisors (panel), issues a request for proposals to health insurance companies for the development of value benefit plans (VBPs);

- ! Proposals for VBPs are submitted to the state department by August 1, 2009;
- ! The state department, division, and panel evaluate the proposals and make recommendations to the governor regarding the proposals and any necessary legislation;
- ! The governor submits recommendations for legislation to the general assembly by the 3rd legislative day of the 2010 regular legislative session or notifies the executive committee of the general assembly and the health and human services committees of both houses of the general assembly that no valid proposals were submitted; and
- ! If the governor recommends legislation and the general assembly chooses to pursue such legislation, allows the legislation to be introduced during the 2010 regular legislative session to create the program and implement the governor's recommendations.

Establishes some parameters for the VBPs and the program, including:

- ! A premium subsidy program for low-income individuals;
- ! A mandate that individuals obtain health insurance and a mechanism to enforce the mandate through the state tax code;
- ! The encouragement of evidence-based medicine through creation of a patient safety council to improve patient care and minimize medical care mistakes;
- ! A process to certify VBPs and a mechanism for pairing subsidy-eligible individuals with appropriate VBPs;
- ! Creation of a consumer advisory council for the program; and
- ! Dedication of a revenue source, if necessary, and a ballot question to seek voter approval for the revenue source, if necessary.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Part 1 of article 1 of title 25.5, Colorado Revised**
3 **Statutes, is amended BY THE ADDITION OF A NEW SECTION to**

1 read:

2 25.5-1-125. Centennial care choices - value benefit plans -
3 request for information - request for proposals - report to general
4 assembly - definitions - legislative declaration. (1) THE GENERAL

5 ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

6 (a) THE BLUE RIBBON COMMISSION FOR HEALTH CARE REFORM,
7 ESTABLISHED PURSUANT TO SECTION 10-16-131, C.R.S., AS IT EXISTED
8 PRIOR TO JULY 1, 2008, SUBMITTED ITS RECOMMENDATIONS TO THE
9 GENERAL ASSEMBLY IN JANUARY 2008, REGARDING COMPREHENSIVE
10 PROPOSALS TO REFORM HEALTH CARE IN COLORADO, INCLUDING METHODS
11 TO REDUCE OR ELIMINATE COLORADO'S UNINSURED POPULATION;

12 (b) THE GENERAL ASSEMBLY RECOGNIZES THAT WHILE
13 COMPREHENSIVE HEALTH CARE REFORM IS A LAUDABLE GOAL, THE STATE
14 LACKS THE FINANCIAL RESOURCES TO FULLY SOLVE ALL THE PROBLEMS
15 FACING THIS STATE'S HEALTH CARE SYSTEM;

16 _____
17 (c) IT IS ALSO CRITICAL THAT THE STATE MAXIMIZE FEDERAL
18 FUNDS FOR MEDICAL ASSISTANCE PROGRAMS SO AS TO PROVIDE SERVICES
19 AND ACCESS TO HEALTH CARE TO THE STATE'S NEEDY POPULATION;

20 (d) COLORADO CANNOT WAIT TO ADDRESS THE CURRENT
21 PROBLEMS RELATED TO THE DELIVERY OF AFFORDABLE HEALTH CARE TO
22 RESIDENTS OF THE STATE, AND IT IS THEREFORE CRITICAL TO START THE
23 PROCESS TOWARD DEVELOPING A BALANCED PARTNERSHIP BETWEEN
24 PRIVATE AND PUBLIC SECTORS IN COLORADO TO BEGIN TO PROVIDE
25 AFFORDABLE HEALTH INSURANCE TO THOSE WHO ARE UNINSURED; AND

26 (e) TO THAT END, THIS SECTION CREATES THE OPPORTUNITY FOR
27 HEALTH INSURANCE CARRIERS TO DEVELOP AND OFFER TO INDIVIDUALS

1 THROUGHOUT THE STATE AN AFFORDABLE, BASELINE HEALTH INSURANCE
2 PRODUCT, REPRESENTING THE MINIMUM BENEFITS PACKAGE FOR THE
3 STATE'S INDIVIDUAL MARKET, THAT IS NOT CURRENTLY AVAILABLE IN THE
4 INDIVIDUAL MARKET, TO PROVIDE ACCESS TO HEALTH CARE COVERAGE
5 FOR THE STATE'S UNINSURED POPULATION.

6 (2) (a) (I) THE STATE DEPARTMENT, IN COORDINATION WITH THE
7 DIVISION OF INSURANCE AND A PANEL OF EXPERT ADVISORS APPOINTED BY
8 THE GOVERNOR BY AUGUST 1, 2008, WHICH SHALL INCLUDE PERSONS
9 WITH EXPERTISE IN ACTUARIAL SCIENCES, PERSONS WITH EXPERTISE IN
10 DESIGNING HEALTH BENEFIT PLANS, PERSONS ENGAGED IN THE
11 IMPLEMENTATION AND MANAGEMENT OF HEALTH BENEFIT PLANS,
12 CONSUMERS, AND PERSONS REPRESENTING HEALTH CARE PROVIDERS,
13 SHALL PREPARE A REQUEST FOR INFORMATION TO BE ISSUED TO HEALTH
14 INSURANCE CARRIERS. THE REQUEST FOR INFORMATION SHALL REQUEST
15 INTERESTED HEALTH INSURANCE CARRIERS TO PROVIDE INFORMATION
16 REGARDING:

17 (A) THE DESIGN OF AND BENEFITS INCLUDED IN VALUE BENEFIT
18 PLANS, REFERRED TO IN THIS SECTION AS VBPs, TO BE OFFERED IN THE
19 INDIVIDUAL MARKET THAT APPROXIMATE EIGHTY PERCENT OF THE
20 ACTUARIAL VALUE OF A PREFERRED PROVIDER ORGANIZATION PLAN
21 OFFERED TO EMPLOYEES OF THE STATE OF COLORADO AT THE TIME THE
22 REQUEST FOR INFORMATION IS ISSUED, AS SPECIFIED IN THE REQUEST FOR
23 INFORMATION; AND

24 (B) THE PERCENTAGE DIFFERENTIAL IN RATES FOR VBPs IF ALL
25 COLORADO RESIDENTS ARE REQUIRED TO OBTAIN CREDITABLE COVERAGE
26 AND IF NO SUCH INDIVIDUAL MANDATE IS IMPOSED.

27 (II) EXCEPT AS AUTHORIZED IN THIS SECTION, THE REQUEST FOR

1 INFORMATION SHALL NOT SPECIFY BENEFITS OR OTHER DETAILS TO BE
2 INCLUDED IN THE PROPOSED VBP.

3 (b) IN RESPONDING TO THE REQUEST FOR INFORMATION, A HEALTH
4 INSURANCE CARRIER SHALL ASSUME THAT A VBP WILL, AT A MINIMUM:

5 (I) INCLUDE BENEFITS FOR PRIMARY AND PREVENTIVE CARE AND
6 PARTICIPATION IN WELLNESS PROGRAMS AND INCENTIVES FOR PLAN
7 PARTICIPANTS TO ENGAGE IN HEALTHIER BEHAVIOR;

8 (II) PROVIDE THE LOWEST LEVEL OF BENEFITS THAT MAY BE
9 OFFERED IN THE STATE'S INDIVIDUAL MARKET;

10 (III) INCLUDE A LIFETIME MAXIMUM BENEFIT OF TWO HUNDRED
11 FIFTY THOUSAND DOLLARS PER COVERED PERSON;

12 (IV) IMPOSE A WAITING PERIOD, AS SPECIFIED IN THE REQUEST FOR
13 INFORMATION, FOR A PERSON SEEKING TO ENROLL IN A VBP WHO HAS
14 CREDITABLE COVERAGE AT THE TIME THE VBP IS OFFERED IN THE
15 INDIVIDUAL MARKET;

16 (V) ENCOURAGE THE USE OF HEALTH INFORMATION TECHNOLOGY
17 AND TELEMEDICINE, INCLUDING, WITHOUT LIMITATION, HEALTH
18 INFORMATION EXCHANGE, ELECTRONIC HEALTH RECORDS, AND
19 ELECTRONIC PRESCRIPTIONS;

20 (VI) ENCOURAGE THE USE OF A PAY-FOR-PERFORMANCE SYSTEM
21 FOR REIMBURSING HEALTH CARE PROVIDERS, WHERE APPROPRIATE;

22 (VII) PROVIDE CONSUMERS WITH EDUCATIONAL MATERIALS
23 REGARDING HOW TO ACCESS INTERNET-BASED HEALTH CARE TOOLS;

24 (VIII) SPECIFY AN ADEQUATE NETWORK OF PROVIDERS AVAILABLE
25 UNDER THE VBP;

26 (IX) ENCOURAGE THE USE OF REGIONAL NETWORKS OF HOSPITALS,
27 PHYSICIANS, COMMUNITY HEALTH CENTERS AND OTHER SAFETY NET

1 PROVIDERS, AND OTHER HEALTH CARE PROFESSIONALS, WHERE
2 AVAILABLE, AND INNOVATIVE OR COLLABORATIVE EFFORTS WITHIN
3 COMMUNITIES FOR THE PROVISION OF HEALTH CARE SERVICES;

4 (X) INCLUDE OPTIONAL COVERAGE CHOICES FOR PURCHASE BY
5 CONSUMERS TO ADD TO THEIR VBPs;

6 (XI) LIMIT THE DEMOGRAPHIC CHARACTERISTICS USED BY HEALTH
7 INSURANCE CARRIERS IN DETERMINING PREMIUM RATES TO THE AGE OF
8 THE INDIVIDUALS TO BE COVERED UNDER THE VBP AND THE GEOGRAPHIC
9 LOCATION OF THE POLICYHOLDER;

10 (XII) SPECIFY PREMIUM LEVELS FOR EACH VBP BY AGE GROUP,
11 REGION BY REGION;

12 (XIII) BE OFFERED STATEWIDE AND ISSUED TO ANY COLORADO
13 RESIDENT ELIGIBLE PURSUANT TO THE TERMS OF THE APPROVED VBP WHO
14 AGREES TO MAKE THE PREMIUM PAYMENTS REQUIRED FOR THAT PERSON;

15 (XIV) ALLOW FOR THE PAYMENT OF ALL OR A PORTION OF THE
16 COVERED PERSON'S PREMIUM FROM A STATE-PAID PREMIUM SUBSIDY, IF
17 MADE AVAILABLE BY THE STATE FOR LOW-INCOME INDIVIDUALS AND
18 FAMILIES; AND

19 (XV) NOT DESTABILIZE THE EXISTING SMALL GROUP MARKET OR
20 THE COVERCOLORADO PROGRAM.

21 (3) (a) AFTER RECEIPT OF THE INFORMATION REQUESTED OF
22 HEALTH INSURANCE CARRIERS PURSUANT TO SUBSECTION (2) OF THIS
23 SECTION, THE STATE DEPARTMENT, IN COORDINATION WITH THE DIVISION
24 AND THE PANEL, SHALL ACQUIRE RELEVANT ACTUARIAL PROJECTIONS,
25 RESEARCH POTENTIAL COST SAVINGS, AND ANALYZE THE INFORMATION
26 OBTAINED FROM HEALTH INSURANCE CARRIERS. USING THE RELEVANT
27 PROJECTIONS, RESEARCH, AND INFORMATION, THE STATE DEPARTMENT, IN

1 COOPERATION WITH THE DIVISION AND THE PANEL, MAY DEVELOP A
2 REQUEST FOR PROPOSALS TO BE ISSUED TO INTERESTED HEALTH
3 INSURANCE CARRIERS FOR THE PURPOSE OF OBTAINING PLAN DESIGNS FOR
4 VBPs FOR THE INDIVIDUAL MARKET BASED ON THE PARAMETERS
5 OUTLINED IN THE REQUEST FOR INFORMATION, AS MODIFIED BY THE
6 REQUEST FOR PROPOSALS, PRIOR TO ISSUING A REQUEST FOR PROPOSALS,
7 THE STATE DEPARTMENT, IN CONSULTATION WITH THE DIVISION AND THE
8 PANEL, SHALL DEVELOP A BENCHMARK PRICE OR AFFORDABILITY
9 STANDARD FOR VBPs TO ENSURE THAT ELIGIBLE INDIVIDUALS CAN
10 AFFORD TO PURCHASE VBPs THAT ARE DEVELOPED BY HEALTH
11 INSURANCE CARRIERS. IN DEVELOPING THE REQUEST FOR PROPOSALS, THE
12 STATE DEPARTMENT SHALL CONSIDER AND DETERMINE WHETHER THE
13 REQUEST FOR PROPOSALS SHALL INCLUDE THE FOLLOWING ASSUMPTIONS
14 OR COMPONENTS:

15 (I) AN ASSUMPTION THAT THE STATE WILL IMPOSE A REQUIREMENT
16 THAT ALL COLORADANS OBTAIN CREDITABLE COVERAGE, EITHER
17 THROUGH A STATE-SANCTIONED VBP, ANOTHER HEALTH INSURANCE
18 PRODUCT AVAILABLE IN THE PRIVATE MARKET FOR INDIVIDUALS OR
19 GROUPS, PARTICIPATION IN A STATE OR FEDERAL PROGRAM PROVIDING
20 BENEFITS OR COVERAGE FOR HEALTH CARE, OR ANY OTHER CREDITABLE
21 COVERAGE;

22 (II) AN ASSUMPTION THAT THE STATE WILL ESTABLISH A
23 MECHANISM TO ENFORCE THE REQUIREMENT THAT ALL COLORADO
24 RESIDENTS OBTAIN CREDITABLE COVERAGE THROUGH THE STATE TAX
25 LAWS, IF SUCH REQUIREMENT IS IMPOSED;

26 (III) AN ASSUMPTION THAT A VBP WILL BE THE MINIMUM
27 BENEFITS PACKAGE AVAILABLE IN THE STATE'S INDIVIDUAL MARKET;

1 (IV) AN ASSUMPTION THAT THE STATE WILL CREATE A SLIDING
2 SCALE PREMIUM SUBSIDY PROGRAM TO ASSIST LOW-INCOME INDIVIDUALS
3 AND FAMILIES IN PAYING THE PREMIUM COSTS FOR HEALTH INSURANCE;

4 (V) AN ASSUMPTION THAT THE STATE WILL AMEND THE STATE
5 PLAN TO EXPAND ELIGIBILITY FOR THE COLORADO MEDICAL ASSISTANCE
6 PROGRAM TO SINGLE ADULTS WHOSE FAMILY INCOME DOES NOT EXCEED
7 ONE HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL, ADJUSTED FOR
8 FAMILY SIZE;

9 (VI) AN ASSUMPTION THAT THE STATE WILL IMPOSE A WAITING
10 PERIOD FOR PERSONS SEEKING TO ENROLL IN OR PURCHASE A VBP THAT
11 HAVE CREDITABLE COVERAGE AT THE TIME OF APPLICATION IN ORDER TO
12 PREVENT DESTABILIZATION OF THE SMALL GROUP MARKET AND THE
13 COVERCOLORADO PROGRAM;

14 (VII) A MECHANISM TO ENCOURAGE THE USE OF EVIDENCE-BASED
15 MEDICINE THROUGH CREATION OF A PATIENT SAFETY COUNCIL TO
16 EVALUATE PATIENT CARE WITH THE GOALS OF IMPROVING QUALITY OF
17 CARE AND MINIMIZING MEDICAL CARE MISTAKES;

18 (VIII) AN ASSUMPTION THAT THE STATE WILL AUTHORIZE THE
19 STATE DEPARTMENT AND THE DIVISION TO ESTABLISH HEALTH MARTS
20 THROUGH WHICH AN INDIVIDUAL ELIGIBLE FOR THE STATE SUBSIDY, IF
21 CREATED, MAY SELECT A VBP THAT BEST MEETS HIS OR HER NEEDS; AND

22 (IX) AN ASSUMPTION THAT THE STATE WILL CREATE A DEDICATED
23 SOURCE OF REVENUE, IF NECESSARY, TO FUND THE PREMIUM SUBSIDY
24 PROGRAM OR OTHER NEW STATE COSTS.

25 (b) THE REQUEST FOR PROPOSALS SHALL SPECIFY A DEADLINE BY
26 WHICH PROPOSALS SHALL BE SUBMITTED TO THE STATE DEPARTMENT.

27 (c) PROPOSALS SUBMITTED BY HEALTH INSURANCE CARRIERS

1 SHALL BUILD ON AND NOT INTERFERE WITH OR DESTABILIZE THE EXISTING
2 SMALL GROUP MARKET OR THE COVERCOLORADO PROGRAM, SHALL NOT
3 ENCOURAGE BUSINESSES CURRENTLY OFFERING HEALTH CARE COVERAGE
4 TO THEIR EMPLOYEES TO DISCONTINUE SUCH COVERAGE, SHALL ASSUME
5 THAT VBPs WILL BE AVAILABLE STATEWIDE TO ELIGIBLE INDIVIDUALS,
6 AND SHALL PROMOTE ADMINISTRATIVE EFFICIENCIES.

7 (4) (a) AFTER RECEIPT OF PROPOSALS SUBMITTED BY HEALTH
8 INSURANCE CARRIERS, THE STATE DEPARTMENT, IN COORDINATION WITH
9 THE DIVISION AND THE PANEL, SHALL EVALUATE THE PROPOSALS AND
10 MAKE RECOMMENDATIONS TO THE GOVERNOR REGARDING THE PROPOSALS
11 AND ANY LEGISLATION THAT MAY BE NEEDED TO IMPLEMENT ONE OR
12 MORE PROPOSALS.

13 (b) IF THE GOVERNOR DETERMINES THAT NONE OF THE PROPOSALS
14 SUBMITTED BY HEALTH INSURANCE CARRIERS MEETS THE CRITERIA
15 ESTABLISHED IN THIS SECTION OR THAT THE PROPOSALS ARE OTHERWISE
16 INADEQUATE TO ADDRESS THE HEALTH CARE COVERAGE NEEDS OF THE
17 STATE'S UNINSURED POPULATION, THE GOVERNOR MAY REJECT THE
18 PROPOSALS AND SHALL INFORM THE EXECUTIVE COMMITTEE OF THE
19 LEGISLATIVE COUNCIL OF THE GENERAL ASSEMBLY AND THE HEALTH AND
20 HUMAN SERVICES COMMITTEES OF THE SENATE AND HOUSE OF
21 REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES, IN WRITING, THAT
22 THE PROPOSALS HAVE BEEN REJECTED AND THE REASONS FOR THE
23 REJECTIONS.

24 (c) IF THE GOVERNOR APPROVES ONE OR MORE PROPOSALS FOR THE
25 INDIVIDUAL MARKET, THE GOVERNOR SHALL SUBMIT RECOMMENDATIONS
26 FOR LEGISLATION TO THE GENERAL ASSEMBLY FOR ITS CONSIDERATION.
27 IF THE GENERAL ASSEMBLY CHOOSES TO PURSUE LEGISLATION TO

1 IMPLEMENT THE GOVERNOR'S RECOMMENDATIONS, THE LEGISLATION MAY
2 CREATE THE CENTENNIAL CARE CHOICES PROGRAM TO INCLUDE
3 PROVISIONS AND COMPONENTS CONSISTENT WITH THE GOVERNOR'S
4 RECOMMENDATIONS. THE LEGISLATION SHOULD INCLUDE AT LEAST THE
5 FOLLOWNG:

6 (I) STANDARDS THAT VBPs MUST SATISFY IN ORDER TO BE
7 CERTIFIED BY THE STATE DEPARTMENT AND THE DIVISION AND
8 AUTHORIZED TO BE OFFERED TO COLORADO RESIDENTS BY ANY HEALTH
9 INSURANCE CARRIER, REGARDLESS OF WHETHER THE HEALTH INSURANCE
10 CARRIER DEVELOPED THE VBP IN RESPONSE TO THE REQUEST FOR
11 PROPOSALS, AS LONG AS THE HEALTH INSURANCE CARRIER OFFERS A VBP
12 THAT MEETS SUCH STANDARDS AND THE REQUIREMENTS OF THIS SECTION;

13 (II) CREATION OF A PROCESS FOR PERIODIC REVIEW OF VBPs;

14 (III) CREATION OF A CONSUMER ADVISORY COUNCIL FOR THE
15 CENTENNIAL CARE CHOICES PROGRAM; AND

16 (IV) IF THE GOVERNOR RECOMMENDS CREATION OF A REVENUE
17 SOURCE TO FUND A PREMIUM SUBSIDY PROGRAM OR OTHER COSTS OF THE
18 CENTENNIAL CARE CHOICES PROGRAM AND THE REVENUE SOURCE WOULD
19 BE CREATED THROUGH A NEW OR INCREASED TAX OR TAX RATE, A BALLOT
20 QUESTION TO SEEK VOTER APPROVAL AT A FUTURE GENERAL ELECTION
21 FOR THE REVENUE SOURCE.

22 (5) A HEALTH INSURANCE CARRIER SHALL NOT BE REQUIRED TO
23 HAVE A CERTIFICATE OF AUTHORITY ISSUED BY THE COMMISSIONER OF
24 INSURANCE PURSUANT TO SECTION 10-3-105, C.R.S., IN ORDER TO
25 RESPOND TO THE REQUEST FOR INFORMATION OR REQUEST FOR PROPOSALS
26 BUT SHALL BE ALLOWED TO OFFER AN APPROVED VBP TO ELIGIBLE
27 COLORADO RESIDENTS ONLY IF THE HEALTH INSURANCE CARRIER OBTAINS

1 A CERTIFICATE OF AUTHORITY TO TRANSACT THE BUSINESS OF INSURANCE
2 IN THIS STATE PRIOR TO OFFERING THE VBP.

3 (6) A HEALTH INSURANCE CARRIER THAT SUBMITS INFORMATION
4 OR A PROPOSAL IN RESPONSE TO THE REQUEST FOR INFORMATION OR THE
5 REQUEST FOR PROPOSALS, RESPECTIVELY, SHALL NOT BE OBLIGATED TO
6 OFFER A VBP IF, AFTER SUBMISSION OF INFORMATION OR A PROPOSAL, THE
7 GENERAL ASSEMBLY, BY BILL, MODIFIES THE DESIGN OF THE VBP.

8 (7) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO ESTABLISH
9 A REQUIREMENT FOR INDIVIDUALS TO PURCHASE HEALTH INSURANCE OR
10 TO PRECLUDE OR LIMIT THE ABILITY OF THE GENERAL ASSEMBLY TO USE
11 INFORMATION OBTAINED THROUGH THE REQUEST FOR INFORMATION TO
12 ENACT REFORMS THAT DO NOT INCLUDE SUCH A REQUIREMENT.

13 (8) AS USED IN THIS SECTION:

14 (a) "COLORADO MEDICAL ASSISTANCE PROGRAM" MEANS THE
15 PROGRAM ESTABLISHED IN THE "COLORADO MEDICAL ASSISTANCE ACT",
16 ARTICLES 4, 5, AND 6 OF THIS TITLE.

17 (b) "COVER COLORADO PROGRAM" MEANS THE PROGRAM CREATED
18 IN PART 5 OF ARTICLE 8 OF TITLE 10, C.R.S.

19 (c) "CREDITABLE COVERAGE" SHALL HAVE THE SAME MEANING AS
20 SET FORTH IN SECTION 10-16-102, C.R.S.

21 (d) "DIVISION OF INSURANCE" OR "DIVISION" MEANS THE DIVISION
22 OF INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES.

23 (e) "HEALTH INSURANCE CARRIER" SHALL HAVE THE SAME
24 MEANING AS "CARRIER", AS DEFINED IN SECTION 10-16-102, AND SHALL
25 INCLUDE A CARRIER THAT IS NOT CURRENTLY PROVIDING HEALTH
26 COVERAGE IN THE STATE OR THAT DOES NOT, AT THE TIME THE REQUEST
27 FOR INFORMATION OR REQUEST FOR PROPOSALS IS ISSUED, HAVE A

1 CERTIFICATE OF AUTHORITY FROM THE COMMISSIONER OF INSURANCE
2 PURSUANT TO SECTION 10-3-105, C.R.S.

3 (f) "PANEL" MEANS THE PANEL OF EXPERT ADVISORS APPOINTED
4 BY THE GOVERNOR PURSUANT TO SUBSECTION (2) OF THIS SECTION.

5 (g) "VALUE BENEFIT PLAN" OR "VBP" MEANS A POLICY,
6 CONTRACT, CERTIFICATE, OR AGREEMENT TO PROVIDE, DELIVER, ARRANGE
7 FOR, PAY FOR, OR REIMBURSE THE COSTS OF HEALTH CARE SERVICES THAT
8 IS DEVELOPED IN RESPONSE TO THE REQUEST FOR PROPOSALS ISSUED
9 PURSUANT TO THIS SECTION.

10 **SECTION 2. Appropriation -- adjustment to the 2008 long**
11 **bill.** (1) For the implementation of this act, appropriations made in the
12 annual general appropriation act to the department of health care policy
13 and financing, for the fiscal year beginning July 1, 2008, shall be adjusted
14 as follows:

15 (a) The appropriation to the executive director's office, for
16 personal services is increased by the sum of eighty-four thousand five
17 hundred ninety-three dollars (\$84,593) general fund and 3.0 FTE, or so
18 much thereof as may be necessary, for the implementation of this act. In
19 addition to said appropriation, the general assembly anticipates that the
20 department of health care policy and financing will receive eighty-four
21 thousand five hundred ninety-two dollars (\$84,592) federal funds in the
22 fiscal year beginning July 1, 2008, for the implementation of this act.
23 Although the federal funds are not appropriated in this act, they are noted
24 for the purpose of indicating the assumptions used relative to these funds
25 in developing state appropriation amounts.

26 (b) The appropriation to the executive director's office, for
27 operating expenses is increased by the sum of six thousand six hundred

1 seven dollars (\$6,607) general fund, or so much thereof as may be
2 necessary, for the implementation of this act. In addition to said
3 appropriation, the general assembly anticipates that the department of
4 health care policy and financing will receive six thousand six hundred
5 eight dollars (\$6,608) federal funds in the fiscal year beginning July 1,
6 2008, for the implementation of this act. Although the federal funds are
7 not appropriated in this act, they are noted for the purpose of indicating
8 the assumptions used relative to these funds in developing state
9 appropriation amounts.

10 (c) The appropriation to the executive director's office, for general
11 professional services and special projects is increased by the sum of
12 thirty-seven thousand five hundred dollars (\$37,500) general fund, or so
13 much thereof as may be necessary, for the implementation of this act. In
14 addition to said appropriation, the general assembly anticipates that the
15 department of health care policy and financing will receive thirty-seven
16 thousand five hundred dollars (\$37,500) federal funds in the fiscal year
17 beginning July 1, 2008, for the implementation of this act. Although the
18 federal funds are not appropriated in this act, they are noted for the
19 purpose of indicating the assumptions used relative to these funds in
20 developing state appropriation amounts.

21 (2) In addition to any other appropriation, there is hereby
22 appropriated, to the department of regulatory agencies, division of
23 insurance, for the fiscal year beginning July 1, 2008, the sum of fifteen
24 thousand nine hundred dollars (\$15,900) cash funds, or so much thereof
25 as may be necessary, for the implementation of this act. Said sum, shall
26 be from the division of insurance cash fund created in section 10-1-103
27 (3), Colorado Revised Statutes.

1 (3) For the implementation of this act, the general fund
2 appropriation to the controlled maintenance trust fund made in section 23
3 of the annual general appropriation act, for the fiscal year beginning July
4 1, 2008, shall be decreased by one hundred twenty-eight thousand seven
5 hundred dollars (\$128,700).

6 **SECTION 3. Safety clause.** The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, and safety.